

**BEST & LESS GROUP HOLDINGS LTD  
ACN 642 843 221**

**(the Company)**

**PEOPLE AND REMUNERATION COMMITTEE CHARTER**

**1. GENERAL**

The board of the Company (**Board**) has established the People AND Remuneration Committee (**PRCPRC**), with the powers as set out in this Charter and as delegated in accordance with rule 8.1 of the Company's Constitution.

The PRCPRC Charter will be reviewed regularly. Any proposed changes will be recommended to the Board for approval.

**2. THE PURPOSE AND ROLE OF THE PRC**

The purpose of the PRC is to assist the Board by making recommendations in respect of:

- (a) the composition, performance and effectiveness of the Board;
- (b) people matters that have a material impact on the delivery of the strategy, relating to compensation, incentives, other employee rewards, development, performance management and talent management, along with ensuring compliance on regulatory matters; and
- (c) the Company's remuneration policy.

The Board retains ultimate responsibility for these matters.

The PRC will, in discharging its duties, seek to co-ordinate its activities with the Audit and Risk Committee where appropriate. The Chairperson of the PRC must liaise with the Chairperson of the Audit and Risk Committee on an ongoing basis to ensure that no material matter is overlooked by the two Committees and any other committee established by the Board from time to time relevant to the work of the PRC.

The PRC may delegate all or a portion of its responsibilities to a subcommittee of the PRC.

**3. COMPOSITION OF THE PRC**

The PRC will consist of a minimum of three members of the Board.

The PRC will consist of only non-executive Directors, a majority of whom are independent (as assessed by the Board in accordance with the Board Charter).

The Chairperson of the PRC will be an independent Director. The office of Chairperson of the PRC will not be occupied by the Chairperson of the Board.

The Board may appoint additional non-executive Directors to the PRC or remove and replace members of the PRC by resolution. Members may withdraw from membership by written notification to the Board.

The Board will review the membership of the PRC at least annually to ensure an appropriate balance of expertise, skills and experience.

A member of the PRC may, with the approval of the Chairperson of the PRC and at the Company's expense, attend seminars or training courses in respect of issues related to the functions and responsibilities of the PRC.

The secretary of the PRC will be the Company Secretary (**CS**).

#### **4. MEETINGS OF THE COMMITTEE**

The PRC will meet at least twice annually, and more frequently if it is deemed necessary to fulfil its role.

The Board will disclose in the Company's Annual Report the number of times the PRC met throughout the relevant reporting period and the individual attendances of the members of the Committee at the meetings held throughout the period.

The PRC may invite any person to attend all or part of a meeting of the PRC. The Chief Executive Officer (**CEO**), Chief Financial Officer (**CFO**) and other managers will be invited as required.

The quorum is two members of the PRC.

Any member may, and the CS will upon request from any member, convene a meeting of the PRC.

Notice will be given to every member of the PRC, of every meeting of the PRC, at the member's advised address for service of notice (or such other pre-notified interim address where relevant).

The CS will attend all PRC meetings to take minutes. All minutes of the PRC must be entered into a minute book.

Directors (who are not members of the PRC) may attend meetings of the PRC.

#### **5. REPORTING**

The Chairperson of the PRC will report on the actions and recommendations of the PRC to the Board at the next Board meeting following a meeting of the PRC. All Directors will be permitted, during a Board meeting, to request information from the Chairperson of the PRC or members of the PRC.

#### **6. AUTHORITY AND ACCESS**

In carrying out its responsibilities, the PRC:

- (a) will have access to the company records and any other document, report, material or information in the possession of an employee or external advisor of the Company, as reasonably necessary to perform its functions; and
- (b) may invite an employee or any other person to attend a meeting of the PRC, including without management present for the purposes of seeking explanations and additional information from a person.

The PRC may seek the advice of independent advisers on any matter relating to the powers, duties or responsibilities of the PRC.

The PRC may initiate special investigations as it sees fit, or as directed by the Board, in relation to matters set out in this Charter.

## **7. RESPONSIBILITIES OF THE PRC**

### **7.1 Nomination**

In the area of nomination, the key responsibilities of the PRC are to:

- (a) review and recommend to the Board the size and composition of the Board;
- (b) review, assess and recommend to the Board the desirable competencies of Board members in line with the Company's board skills matrix, which sets out the skills and diversity that the Board currently has and seeks to achieve in its membership;
- (c) develop succession plans for the Board and oversee the development of succession planning in relation to senior management;
- (d) assist the Board to identify individuals who are qualified to become Board members by assessing:
  - (i) the skills, experience, expertise and personal qualities that will best complement the effective operation of the Board;
  - (ii) the capability of the candidate to devote the necessary time and commitment to the role (this involves a consideration of matters such as other Board or executive appointments); and
  - (iii) potential conflicts of interest and independence.

The identification of potential Director candidates may be assisted by use of external recruitment agencies. Offers of a Board appointment must only be made by the Chairperson after all Directors have been consulted, with any recommendations from the PRC having been circulated to all Directors.

- (e) review and provide recommendations to the Board concerning the election or re-election of persons as Directors;
- (f) assist the Board to assess Board performance, and the performance of Board committees and individual Directors;
- (g) review and make recommendations in relation to any corporate governance issues, in respect to nominations and remuneration, as requested by the Board from time to time;
- (h) review the time expected to be devoted by non-executive Directors to the Company's affairs;
- (i) develop and review an effective induction process; and
- (j) develop and review a professional development program to ensure Directors have the opportunity to develop and maintain the requisite skills and knowledge.

### **7.2 Remuneration**

In the area of remuneration, the key responsibilities of the PRC are to:

- (a) on an annual basis, review and where necessary make recommendations to the Board on, arrangements for the executive Directors, the CEO and the executives reporting to the CEO, including contractual terms, annual remuneration and participation in any short or long term incentive plans;

- (b) review major changes and developments in the Company's remuneration, recruitment, retention and termination policies and procedures for senior management;
- (c) review and recommend to the Board matters relating to employee remuneration to ensure alignment with market trends, and consistency with the Company's Diversity Policy to ensure that there is no inappropriate bias in the remuneration of senior executives and other employees;
- (d) review and recommend short term incentive strategies, performance targets and bonus payments for senior executives and other employees;
- (e) review and recommend to the Board implementation of, or any major changes/developments to, employee equity incentive plans;
- (f) in respect of any employee equity incentive plans that are put in place:
  - (i) recommend to the Board whether offers are to be made under any or all of the Company's employee equity incentive plans in respect of a financial year and the terms of performance hurdles or other conditions (as applicable);
  - (ii) assess and recommend to the Board whether performance hurdles or other conditions have been satisfied in respect of a particular award; and
  - (iii) generally administer the operation of the plans, including but not limited to determining disputes and resolving questions of fact or interpretation concerning the various plans;
- (g) review and recommend to the Board the remuneration arrangements for the Chairperson and the non-executive Directors of the Board, including fees, travel and other benefits;
- (h) review and recommend to the Board the remuneration report prepared in accordance with the *Corporations Act 2001* (Cth) for inclusion in the annual directors' report; and
- (i) review and facilitate shareholder and other stakeholder engagement in relation to the Company's remuneration policies and practices.

### **7.3 Other people related topics**

In the area of other people related topics, the key responsibilities of the PRC are to:

- (a) oversee the processes for the performance evaluation of the CEO and the executives reporting to the CEO and review the results of that performance evaluation process;
- (b) understand the processes and priorities employed in interactions with the Fair Work Commission and Fair Work Ombudsman and the relevant unions and to review and recommend to the Board the terms of any industrial instruments or agreements of general application to some or all of the Company's employees;
- (c) ensure that B&L's organisational structure is set-up and resourced appropriately to support the growth and business objectives of the business;
- (d) ensure that a comprehensive and rigorous people development and performance management system is in place and that it is working effectively, and
- (e) actively participate in the performance, talent identification and development process of B&L to ensure strong workforce plans are in place

## 8. LIMITATION OF RESPONSIBILITIES

The PRC does not have responsibility for the matters that are set out in the Board Charter, although the Chairperson of the PRC must liaise with the Chairperson of the Board on an ongoing basis to ensure that no material matter is overlooked by the two bodies.

The PRC's principal function is one of review, oversight and monitoring. Without limiting the Committee's duties as described in this Charter, neither the PRC, as a committee, nor any member of it by virtue of being a member, has the duty to actively seek out activities occurring within the Group that are not compliant with the Group's policies and procedures, although they have a duty to act promptly if any such activity comes to their attention.

The PRC is entitled to rely on employees of the Company or professional advisers or consultants engaged by the PRC or the Company where:

- (a) there are reasonable grounds to believe that the employee, adviser or consultant is reliable and competent; and
- (b) the reliance was made in good faith and after making an independent assessment of the information.

<b>VERSION CONTROL –PEOPLE AND REMUNERATION COMMITTEE CHARTER</b>	
<b>Date</b>	<b>Action</b>
25 June 2021	Adopted by the Board
23 November 2021	Approved by the Board